

EXECUTIVE SUMMARY

Date Summary Prepared: March 22, 2005

Mine Name: Skull Valley Diatomaceous Earth Quarry	I.D. Number: M/045/060
Operator: Holcim (U.S.) Inc.	Date Original Notice Received: 08/24/2004
Address: 6055 East Croydon Road	County: Tooele
Auxiliary Route #3	New/Existing: Status expanding from SMO to LMO
Morgan, Utah 84050	Mineral Ownership: BLM
Telephone: 801-829-2100	Surface Ownership: BLM
Contact Person: Ken George	Lease No.(s): U-77753
Telephone: 801-829-2153	Permit Term: Life of Mine

Life of Mine: Unknown

Legal Description: T6 S, R 7 W, SW1/4 Section 6, NE1/4,NW1/4,SE1/4,N1/2 of SW1/4, SE1/4 of SW1/4 Section 7, East ½ Section 18

Mineral(s) to be Mined: Diatomaceous Earth

Acres to be Disturbed: 44.7 acres

Present Land Use: Wildlife and grazing

Postmining Land Use: Wildlife and grazing

Variances from Reclamation Standards (Rule R647) Granted: The operator requested a variance from rule R647-4-111.9 Dams and Impoundments. It is granted based on the lack of defined ephemeral drainage and the large degree of evaporation in the area making impoundment of water a slight if non existent possibility in the remaining pits.

Soils and Geology

Soil Description: The operator has committed to salvage adequate soils for revegetation. The Division is conditioning the permit to require gathering information about the soils when field conditions allow.

pH: Unknown but expected to be moderately basic.

Special Handling Problems: Until the complete baseline soils information is collected, the operator has committed to salvage the one to three foot of overburden to be used as a growth medium.

Geology Description: Skull Valley is primarily a result of Basin and Range faulting. The site was originally occupied by Lake Bonneville which contained Diatoms. These Diatoms were deposited along the shorelines and terraces. The diatomaceous earth is on or near the surface. It is tan in color, lightweight, soft, friable, loose, unconsolidated, earthy, and without substantial structure.

Hydrology

Ground Water Description: Any groundwater in the area would most likely be found at least a 100 feet below the surface. There are no known wells in the area. The mine will not excavate more than 30 feet deep.

Surface Water Description: Any surface water is ephemeral overland flow. There is no expression of water channels existing within the proposed disturbance boundary.

Water Monitoring Plan: No surface water exists, hence no monitoring plan.

Ecology

Vegetation Type(s); Dominant Species: Dominant species in the area include basin big sage, greasewood, and the weeds halogeton, kochia, Russian thistle, and downy brome.

Percent Surrounding Vegetative Cover: When field conditions allow, the operator will gather vegetation cover information to establish a revegetation success standard.

Wildlife Concerns: No wildlife concerns.

Surface Facilities: No permanent facilities are on site; only loaders and trucks and other associated mining equipment.

Mining and Reclamation Plan Summary:

During Operations: The diatomaceous earth is being mined by excavating a pit about three acres in size twice each year for a total of six acres of disturbance. The first step in the excavation is removing the top 1-3 feet of soil for revegetation and stockpiling this in a one acre area. The next step is removing the 25 feet of diatomaceous earth. In addition there will be approximately two acres of roads constructed with the annual mine disturbance. The total yearly mine disturbance will be approximately nine acres. There will be no overburden, waste rock, tailings, or other reject materials. No dumps, stockpiles, tailings ponds, facilities, water storage or treatment ponds will be built. No blasting, water, or hazardous materials will be used. Should any trash, metal, wood, or other extraneous debris be generated, it will be placed into sealable containers and removed. Any pit walls created during mining that would pose a public safety issue will be marked and bermed during the mining operation. During non-operational periods, the pit walls will be re-contoured to conform as best as possible to surrounding topography. An application of soil will be made, and a seed mixture distributed to minimize erosion and facilitate vegetation.

After Operations: After each three acre pit is excavated, the pit walls will be resloped to a 3h:1v slope. The topsoil will be replaced and reseeded. The pit will be reshaped to blend with the pre-mining surrounding topography. The reseeded slopes will stabilize with the growth of vegetation to minimize erosion and instability. The excavated pit will be ripped to a depth of two feet prior to the placement of topsoil. A minimum of 12 inches of topsoil will then be applied over the surface of the re-contoured pit, then a seed and approved fertilizer mixture will be distributed over disturbed areas. The seedbeds will be left in a roughened surface condition whenever possible. Any ripping of the soil surface by bulldozers will be performed on the contour, to the fullest extent possible, to minimize potential surface erosion. The proposed seed mixture will be the same as the fire rehab mixture used south and east of the mine. The seed will be broadcast as soon as possible after seedbed preparation is complete. Seedbed preparation and seeding will take place in the fall, no later than December 15.

Surety

Amount: \$99,700

Form: Unknown at this time

Renewable Term: 5 years (2010 dollars)